

CBI launches the Syndicate of Islamic Finance Program

The Central Bank of Iraq has launched the Syndicate of Islamic Finance Program (SIFP), which aims to create a regular partnership in the financing and investment process between traditional and Islamic banks on the one hand, and the public and private sectors on the other hand. This investment should fall under criteria No. (24) Which issued by Accounting and Auditing for Islamic Financial Institutions (AAOIFI).

It is worth mentioning that the program pays traditional and Islamic banks to participate in the financing of projects of national interest in accordance with the contracts in accordance with Islamic law, such as Musharaka Bittamleek contracts, Istisna'a and Istisnaa contracts and Ijarah Muntahia Bittamleek contracts.

Within the framework of activating this program, the Bank formed a committee headed by HE Mr. Ali Mohsen Ismail, the Governor of the Central Bank of Iraq, and the membership of the National Investment Authority as the strategic partner in the SIFP program, government banks, Private Banks's league and ministries and concerned parties.

The Committee recommended the implementation of three projects as a starting point for the implementation of the program and projects. The project is to rehabilitate, construct and develop chemical fertilizer plants in Baiji and Abi Al-Khasib, and rehabilitate and develop the glass factories in Ramadi and rehabilitate and operate white cement factory in Falluja.

This program is complementary to the success achieved by the Central Bank in achieving monetary stability during the war economy and its transition to the Iraqi economy to the runways of the peace economy, making the process of targeting growth a very urgent step.

It is worth mentioning that the syndicate of Islamic finance program is the fastest and most advanced means of dealing with the problem of economic development where the financial sector works with the real sector directly without the need for a mediator.

20 May 2019